

AMENDED IN SENATE JULY 8, 2004

AMENDED IN SENATE JUNE 15, 2004

AMENDED IN ASSEMBLY APRIL 27, 2004

AMENDED IN ASSEMBLY APRIL 12, 2004

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 2509

Introduced by Assembly Member Nakanishi

February 20, 2004

An act to add Chapter 5.5 (commencing with Section 2780) to Part 2 of Division 1 of the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 2509, as amended, Nakanishi. Electric microutilities.

Under existing law, the Public Utilities Commission generally has regulatory authority over public utilities, including authority over electrical corporations.

This bill would state the intent of the Legislature that the commission ~~recognize~~ *consider* the legal, administrative, and operational costs that an electric microutility, as defined, faces if it is named as a respondent in a hearing generally applicable to electrical corporations. The bill would further state the intent of the Legislature ~~to urge~~ *that* the commission ~~to~~ consider those costs before naming an electric microutility as a respondent in a hearing generally applicable to electrical corporations.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Chapter 5.5 (commencing with Section 2780) is added to Part 2 of Division 1 of the Public Utilities Code, to read:

CHAPTER 5.5. ELECTRIC MICROUTILITIES

2780. As used in this chapter, the term “electric microutility” means any electrical corporation that is regulated by the commission and organized for the purpose of providing sole-source generation, distribution, and sale of electricity exclusively to a customer base of fewer than ~~5,000~~ 2,000 customers.

2780.1. (a) It is the intent of the Legislature that the commission ~~recognize~~ *consider* the legal, administrative, and operational costs that an electric microutility faces if it is named as a respondent in a hearing generally applicable to electrical corporations. The limited resources of a microutility are disproportionately strained by the cost of response.

(b) Further, it is the intent of the Legislature ~~to urge~~ *that* the commission ~~to~~ consider the costs described in subdivision (a) before naming an electric microutility as a respondent in a hearing generally applicable to electrical corporations.